

New investment options in the Savannah River Nuclear Solutions, LLC Defined Contribution Plan

The Savings and Pension Administrative Committee, working with our investment advisory firm Hewitt EnnisKnupp, evaluates the investment options in the Savannah River Nuclear Solutions, LLC Defined Contribution Plan (SIP) to determine the adherence to our overall investment strategy and to monitor the historical performance of the investment options. Past performance is no guarantee of future results. This ongoing evaluation has led us to make important changes to the investment lineup in the SIP.

As a result of a recent review, the Committee has decided to add three new investment options to the existing SIP investment lineup. These investments will be added effective May 1, 2012, and will provide you with new opportunities to help you pursue your retirement goals. Please read this newsletter for details on the new investment opportunities.

Effective May 1, 2012:

- The Vanguard Target Retirement 2060 Fund will be added to the list of ready-mixed investment options.
- The Dodge & Cox Global Stock Fund will be added to the mix-your-own investment options.
- The PIMCO Total Return Fund will be added to the mix-your-own investment options.

About the new ready-mixed investment option

The lineup of ready-mixed investment options within the SIP will be expanded to include the Vanguard Target Retirement 2060 Fund. The 2060 Fund expands Vanguard's target date fund series to 13 funds.

Vanguard Target Retirement 2060 Fund

As with Vanguard's other Target Retirement Funds, the 2060 Fund offers asset allocations that will automatically shift from aggressive to more conservative over time. The fund is designed for investors who plan to retire and leave the workforce in or about 2060 and withdraw funds gradually after the target year.

The 2060 Fund features are:

- **Annual gross expense ratio:** 0.18%.
- **Glide path (change in asset allocation mix):** Beginning with 90% stocks and 10% bonds, gradually shifting to more bonds over time, reaching a mix of 50% stocks and 50% bonds by the target retirement date of 2060.
- **Final allocation:** 30% stocks and 70% bonds (similar to that of the Target Retirement Income Fund) by 2067.
- **Investment mix:** Target Retirement Funds comprise a mix of low-cost Vanguard index funds, which invest in 6,000-plus US stocks and bonds and 2,000-plus developed and emerging market international stocks.

The target-date investment is designed for investors expecting to retire around the year indicated in the product name (assumes a retirement at age 65). The asset allocation strategy generally becomes increasingly conservative as it approaches the target date and beyond. Investment risks change over time as the underlying investment asset allocation changes. The investment is subject to the volatility of the financial markets, including equity and fixed-income investments in the US and abroad, and may be subject to risks associated with investing in high-yield, small-cap, commodity-linked, and foreign securities. Principal invested is not guaranteed at any time, including at or after the target dates.

About the new mix-your-own investment options

Dodge & Cox Global Stock Fund

Ticker symbol: **DODWX** Size: **Large cap**
Geography: **Global** Annual gross expense ratio: **0.69%**

The fund seeks long-term growth of principal and income. The fund seeks to invest at least 80% of its total assets in common stocks, preferred stocks, securities convertible into common stocks, and securities that carry the right to buy common stocks, including American, European, and Global Depository Receipts. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks. These risks are magnified in emerging markets.

PIMCO Total Return Fund

Ticker symbol: **PTTRX** Size: **N/A**
Geography: **Domestic** Annual gross expense ratio: **0.46%**

The fund seeks maximum total return, consistent with preservation of capital and prudent investment management. The fund seeks to achieve its investment objective by investing in a diversified portfolio of fixed-income instruments. The average portfolio duration normally varies within a three to six-year timeframe.

Bond investing is subject to risks, such as interest rate, credit, and inflation risk. As interest rates rise, bond prices fall. Long-term bonds have more exposure to interest rate risk than short-term bonds. Unlike bonds, bond funds have ongoing fees and expenses. Lower-rated bonds may offer higher yields in return for more risk.

Questions?

For personal assistance, call 1-866-288-3257 (toll-free), between 8 am and 10 pm ET, Monday–Friday, to speak with a Service Representative.

When accessing your account by phone, you will be asked by a recorded message to enter your Social Security number (without dashes) and your personal identification number (PIN), which will initially be the month and year of your birth (MMYY). You will then be prompted to change your PIN to another four-digit number.

Investing involves risk, including the risk of loss.

Before investing, carefully consider the investment options' or funds' investment objectives, risks, charges and expenses. Call 1-866-288-3257 for an offering statement or prospectus and, if available, a summary prospectus containing this and other information. Read it carefully.

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